



# Los Angeles County AUDIT COMMITTEE

Louisa Ollague, Chair  
1<sup>st</sup> District  
Brence Culp, Vice Chair  
3<sup>rd</sup> District  
Clinton Tatum  
2<sup>nd</sup> District  
Carl Gallucci  
4<sup>th</sup> District  
Angela Mazzie  
5<sup>th</sup> District

## MEETING MINUTES May 19, 2005

Chairperson Louisa Ollague called the meeting to order at 1:32 p.m. in Conference Room, 525, at the Kenneth Hahn Hall of Administration.

### Committee Members Present

Louisa Ollague, First District  
Brence Culp, Third District  
Carl Gallucci, Fourth District  
Angela Mazzie, Fifth District

### Committee Member Absent

Clinton Tatum, Second District

### Others in Attendance

Terri Kasman, Auditor-Controller  
Nancy Neville, Auditor-Controller  
Maria Oms, Auditor-Controller  
Mike Pirolo, Auditor-Controller  
Jim Schneiderman, Auditor-Controller

Martha Littlefield, Executive Office  
Garen Khachian, Executive Office  
Peter Papadakis, Executive Office  
Dorothea Park, Chief Administrative Office  
Anna Pembedjian, Deputy, Fifth District

### Approval of Minutes

**On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved the April 21, 2005 minutes.**

### Old Business

Fiscal Review of HA'RE John's Paradise, Inc. – A Group Home Foster Care Contractor:  
Auditor-Controller received the Commission's corrective action plan and anticipates a response by May 26, 2005. **This item was continued to the June 16, 2005 meeting.**

Los Angeles County Fair Association Audit Report For The Year Ended December 31, 2003:  
Terri Kasman reported proper controls are in place and the agency is contracting with a new auditor to ensure receipt accountability. **On motion of Angela Mazzie, seconded by Carl Gallucci, the Committee unanimously approved receiving and filing this report.**

Community Development Commission – Fiscal Review: **This item was continued to the June 16, 2005 meeting.**

Sheriff Contract City Billing Practices – Final Phase I Report: Mike Pirolo reported cities are concerned funding to support substations will be generated. The Sheriff provided information regarding square footage allocation of facilities cost which lowers the cost of billable services by \$3 million to each city compared to the current salaries cost model. Property taxes were discussed, but A/C believes this matter should be separate from the contract city billing issue. Anna Pembedjian asked if any additional material findings related to Phase 1 exist. Mr. Pirolo stated Sheriff has mentioned Phase 1 studies are being performed but completion of these studies and their results was not discussed. Maria Oms stated if the Sheriff provides more information A/C will make changes accordingly. Chairperson Ollague asked if the Sheriff provides more information concerning facilities costs will the amount of money billed lessen. Mr. Pirolo stated the amount of money will not change substantially. Brence Culp inquired if direction from the Board of Supervisors would be useful. Ms. Oms advised A/C would appreciate the Board of Supervisors' assistance. Mr. Pirolo reported developing 'guiding

principles' Countywide and chargeable services may be helpful. **On motion of Carl Gallucci, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report and requested placing this topic on the June 16, 2005 meeting agenda.**

Audit Transmittal Report TR 04-74 (FYE 6/30/03): Ms. Kasman reported staff applied additional audit procedures and advised most of the \$2.4 million was spent. **The Committee unanimously approved continuing this item to the June 16, 2005 meeting.**

Group Home Program Monitoring Report – Ferree's Group Homes, Inc., Sites #1, #2, #3, #4 and #5: Ms. Oms reported all changes/repairs were made to the appropriate homes. **On motion of Angela Mazzie, seconded by Carl Gallucci, the Committee unanimously approved receiving and filing this report.**

#### **Reports to be Received and Filed**

Group Home Program Monitoring Report – Trinity El Monte: Review determined the agency provided services outlined in its program statement. The home is well maintained and maintains a sufficient supply of frozen food, meat and canned goods. The Needs and Services Plans (NSPs) are current, realistic and measurable. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – California Family life Center: Hemet Ranch, Hemet House, and Sunset House: Generally, the agency provided the services outlined in its program statement, however, the agency needs to develop NSPs with specific and measurable goals, replace two mattresses, and date and label all bulk food items in the freezer. The agency will submit a corrective action plan to the group home ombudsman within fifteen business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Hollygrove Group Home: Agency needs to ensure children's bedrooms are properly maintained, develop specific and measurable NSPs, create comprehensive quarterly reports, and inform residents of their right to refuse medication. The agency will submit a corrective action plan to the group home ombudsman within fifteen business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Orange County Children's Foundation, Emancipation Institute Group Home: Review determined agency provided services outlined in its program statement. The home was well maintained and maintains a sufficient supply of frozen food, meat and canned goods. The NSPs are current and measurable. Residents expressed satisfaction with the agency and staff and stated feeling safe living in the home. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Hillside Home for Children, Main Campus and Campus Satellite: The home was well maintained and maintains a sufficient supply of frozen food, meat and canned goods. The NSPs are current and measurable. Residents have current court authorizations for psychotropic medication and documentation confirms residents are routinely seen by the prescribing psychiatrist. Further, residents expressed satisfaction with the agency and staff and stated feeling safe living in the home. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Homes of Hope Group Homes, Casa Esperanza Treatment Center and Homes of Hope #1: Overall, the agency provided the services outlined in its program statement. However, Casa Esperanza needs to repair a burner on the kitchen stove and submit each request for psychotropic medication expeditiously. Homes of Hope needs to remove mildew from residents' bathroom. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Bienvenidos Children's Center Inc., Bienvenidos Village for Children: The home was clean, well maintained, and food items were accessible, appropriately dated/stored. NSPs are current and goals are measurable and realistic. Case files adequate document residents regular individual/group therapy, but, one resident did not have a current quarterly report on file. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – M & R Group Home, Walnut Facility: Home was well maintained, nicely landscaped, and blends well with the other homes in the neighborhood. Residents received a complete initial diagnostic assessment after admittance, NSPs are current and with specific measurable goals, and quarterly reports are comprehensive. Residents are given the opportunity to plan and prepare meals; hygiene is discussed and employment opportunities are encouraged. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Affirmative Action Development Center, Inc., Affirmative Action Group Home: **This item was continued to the June 16, 2005 meeting due to the excessive material findings found at the home.**

Group Home Program Monitoring Report – Teen's Happy Home Group Home: Review determined agency needs to develop NSPs; comprehensive quarterly reports; maintain a current copy of each residents' progress report; ensure residents' participation in emancipation and vocational programs; allow residents with opportunities to have private telephone calls with their friends/family; and ensure timely medical care is provided. The agency will submit a corrective action plan to the group home ombudsman within fifteen business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Highlander Children's Services Group Home: Overall, the agency provided services outlined in its program statement. However, the agency needs to maintain current NSPs and quarterly reports for each resident; provide the minimum required allowance; and provide the opportunity to maintain photo albums. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Olive Crest Treatment Centers, RTC, Ida Leona, and Markham Group Homes: Agency needs to make numerous repairs to all three facilities and provide each resident the minimum allowance according to their age; RTC and Ida Leona need to include and document the placement workers and residents in modifying NSPs; and Ida Leona needs to maintain a current court authorization for each resident. The agency will submit a corrective action plan to the Group Home Ombudsman within fifteen business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Mid Valley Youth Center: The agency is providing services outlined in its program statement but needs to make numerous repairs to its facility and provide residents opportunities to maintain photo albums. The agency will submit a corrective action plan to the Group Home Ombudsman within fifteen business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Jean Lores Group Home, Inc., Vernon, 73<sup>RD</sup> Street, and Purche Avenue: Agency provided services outlined in its program statement and all homes were in good standing. However, 73<sup>rd</sup> Street needs to repair the windows in one of the resident bedrooms. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Foundation for the Junior Blind, Children's Residential Program Group Home: Agency provided services outlined in its program statement and the home was in good standing. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Vista Del Mar Emancipation Group Home: Agency was providing the services outlined in its program statement and the home was in good standing. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Street Academy, Inc., Street Academy Group Home: Review determined agency provided services outlined in its program statement and the Group Home was in good standing. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – You are the Difference Foundation, Inc., Loving Life Group Home: Review determined agency provided services outlined in its program statement and the home was in good standing. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Drice Homes Inc., Drice House and Peanuts Group Homes: Agency provided services outlined in its program statement but needs to address various areas where improvements are needed. Drice House and Peanuts Group Homes need to develop realistic/measurable goals for NSPs; develop comprehensive quarterly reports; and ensure residents are routinely seen by the prescribing psychiatrist. Agency will submit a corrective action plan to the Group Home Ombudsman within fifteen business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – San Gabriel Children's Center Group Homes, Children's Team Center, Transitional Living House #1, Transitional Living House #2, and Transitional Living House #3: Agency provided services outlined in its program statement but needs to address various areas where improvements are needed in two of the group homes. TLH #1 needs to clean or replace carpet and repair or replace the large screen television in the living room. TLH #2 needs to resurface and paint the damaged exterior panels of the home. The agency will submit a corrective action plan to the Group Home Ombudsman within twenty business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Liddell's Group Home: Review determined agency provided services outlined in its program statement and the home was in good standing. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Trinity Whitewater Group Home: Agency provided services outlined in its program statement, but needs to develop NSPs with measurable goals and comprehensive quarterly reports for each resident. Agency is required to submit a corrective action plan to the Probation Department within twenty business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – New Dawn Group Homes, Inc., Chino and Walnut: Agency provided services outlined in its program statement, but the Chino needs to adhere to the agency's admission criteria and provide tutorial services for its residents. Agency is required to submit a corrective action plan to the Group Home Ombudsman within twenty business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Fraud Hot Line Status Report: **This item was continued to the June 16, 2005 meeting.**

Group Home Program Monitoring Report – St. Anne's Maternity Home: **This item was continued to the June 16, 2005 meeting due to material findings found at the home.**

Group Home Program Monitoring Report – Summer Place Group Home: Review determined agency provided services outlined in its program statement but needs to develop NSPs with measurable goals. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Maryvale: Agency provided services outlined in its program statement. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Human Services Network, Granada Hills, Parthenia and Shadow Hills Group Homes: Agency provided services outlined in its program statement but needs to make improvements to its facilities and maintain comprehensive NSPs. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Hillside Home for Children – Boys Satellite Group Homes: Review determined agency provided services outlined in its program statement. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Dream Home Care Inc., Sites (1, 2 and 3): Agency provided services outlined in its program statement, however, site #1 needs to maintain comprehensive NSPs and Site #2 and Site #3 need to make repairs to their facilities. Agency is required to submit a corrective action plan to the Group Home Ombudsman within twenty business days from the receipt of this report. **On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Counseling and Research-Masada Inc., Havlock, Hokama, Knoll Heights, Lloyd Manor, Newell, Orleans, Penn, Prospect, Ralston and South Shore Group Homes: **This item was continued to the June 16, 2005 meeting due to material findings.**

### **Reports Received**

Department of Consumer Affairs Cable Television Franchise Audits on Work Order 6-58: Chairperson Ollague asked if the issue has been resolved regarding the dispute of \$30,000. Ms. Oms reported Auditor-Controller is still working on this item. **This item was continued to the June 16, 2005 meeting.**

Group Home Program Monitoring Report – Ettie Lee Homes, Inc., Diamond L Ranch, Mt. Jurupa, Robertson Memorial Home, Santa Ana, and Fontana Group Homes: **The Committee unanimously approved continuing this item to the June 16, 2005 meeting.**

Group Home Program Monitoring Report – The Community Youth Sports and Arts Foundation, Community Youth Sports and Arts Group Home: Agency needs to make repairs to its facility; document placement workers' participation in developing NSPs; provide an adequate amount of food and drinks for residents at all times; allow residents to choose and attend weekly religious services; and inform residents the right to refuse medication. The agency is required to submit a corrective action plan to the Group Home Ombudsman within fifteen business days from the receipt of this report. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Zenith Youth Home, Inc., Zenith I, Zenith II, and Zenith III Group Homes: **The Committee unanimously approved continuing this item to the June 16, 2005 meeting.**

Group Home Program Monitoring Report – HA'RE John's Paradise Group Home: Agency needs to make numerous repairs to its facility, maintain current court authorizations for all children taking psychotropic medication and ensure routine visits by the prescribing psychiatrist. Agency is required to submit a corrective action plan to the Group Home Ombudsman within twenty business days from the receipt of this report. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Rosemary Children's Services: **Due to the major findings discovered, the Committee unanimously approved continuing this item to the June 16, 2005 meeting.**

Sunset Review of Board Policy No. 3.040 – Destruction and Disposition of Records: Dorothea Park reported the original policy allowed for the destruction and disposition of records after two years. However, Government Code Section 26202 was only partially cited...“pursuant to State statute or County Charter, records can be destroyed after two years with a four-fifths vote.” Further, capital investments were not mentioned. Ms. Park reported per Supervisor Yvonne Burke's Board motion in February 2000, the County is pursuing a new records management program to resolve record and disposition issues. Ms. Park requested a one year extension, since all County departments have not submitted their records retention schedule. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved extending the Sunset Review Date to May 13, 2006.**

Sunset Review of Board Policy No. 9.080 – Solicitation Activities by Registered and Certified Employee Organizations: Brence Culp inquired if this policy only pertains to marketing of insurance products. Jim Schneiderman reported policy pertains only to employee organizations and does not include vendors. **This item was continued to the June 16, 2005 meeting and a CAO representative was asked to attend the meeting.**

Group Home Program Monitoring Report – Bright Future: Mesa Street, Pacific Avenue, and 253<sup>rd</sup> Street Group Homes: **This item was continued to the June 16, 2005 meeting.**

Walden Family Services Foster Family Agency Contract Review: Agency provided services required in its County contract, but it needs to improve oversight of the foster homes by ensuring the foster parents store unsafe items in a secured location; ensure foster parents schedule the children's required dental exams within the specified timeframes of the County contract; and maintain current court authorizations and obtain written authorizations from DCFS social workers approving children's NSPs. A/C received agency's response outlining its actions to implement the proper recommendations. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Gay and Lesbian Adolescent Social Services (Glass), Arlington, Charles Pierce, Herbert Benton, Stephen Gabin, Summers-Licata and Wilton Group Homes: **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Pennacle Foundation, Inc., Carson, Corning, and Little Wings Group Homes: Review determined all six Group Homes need to provide children the minimum allowance required; Arlington Group Home needs to include daily living, self-help and survival skills development in its program; and Summers-Licata Group Home needs to include all treatment team members in the development of NSPs. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Greater Hope Society Group Homes – Sites 1, 2 and 3: **This item was continued to the June 16, 2005 meeting.**

Group Home Program Monitoring Report – McKinley Children's Center – Main Campus and Nashport: Agency provided service outlined in its program statement, however, each home needs to improve some deficiencies. The Main Campus needs to develop and maintain current NSPs; replace the kitchen counters and the cottage bathroom floors; and children prescribed psychotropic medication need current court authorizations and routine visits with the prescribing psychiatrist. Nashport needs to clean/replace the kitchen stove top; clean/replace the carpet in bedroom number one; and clean the ceiling in the front bedroom. Agency is required to submit a corrective action plan to the Group Home Ombudsman within twenty business days from the receipt of this report. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Group Home Program Monitoring Report – Greene's Home for Boys – Kramer Drive and Sultan Circle Group Homes: Each home needs to strengthen internal controls, increase cleanliness in its facilities, and provide proper in house support for each resident. Agency is required to submit a corrective action plan to the Group Home Ombudsman within twenty

business days from the receipt of this report. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

Sunset Review of Board Policy No. 3.130 – Media Offices in County Building: **This item was continued to the June 16, 2005 meeting.**

Sunset Review of Board Policy No. 5.125 – Economic Development – Business Incentive Program: **On motion of Brence Culp, seconded by Carl Gallucci, the Committee unanimously approved extending the sunset review date to June 30, 2010.**

Utilization and Oversight of Physician Services Contracts – Department of Health Services: Review determined DHS should immediately establish better controls regarding contractor work hours and require contract physicians to disclose outside business/employment activity as a term of their agreements. DHS should require contract physicians to obtain independent verification of their presence for duties performed. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing this report.**

#### **Public Comments**

There were none

#### **Other Business**

Report Distribution and Discussion: Committee discussed receiving documents electronically rather than by hardcopy. **This item was continued to the June 16, 2005 meeting.**

#### **Matters not on the Posted Agenda (to be Presented and Placed on the Agenda of a Future Meeting)**

There were none.

#### **Adjournment**

There being no further business to conduct, the meeting was adjourned at 2:16 p.m.